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A Critical Overview of the Impact of Social Media on Online Small Businesses Owned and Run by Women Entrepreneurs: A Case Study of London-based Female E-entrepreneurs

Abstract

Issues arising with social media and its influence on women entrepreneurs triggered this investigation. The research will examine the impact of social media on online small businesses owned and run by women entrepreneurs with reference to London-based female e-entrepreneurs. The work is a proposal for a PhD research and while waiting for the University for confirmation to conduct this area of investigation, I have decided to present this paper as part of my initial investigation on the issues around social media online on small businesses run by women entrepreneurs. Work used mixed research methods to investigate the impact of social media online on female entrepreneurs, their experiences and perceptions on their business activities and performance. The growth of social media as part of innovative technological development has enabled entrepreneurs to effectively carry out their business activities online, and an increasing number of female business owners are taking their businesses online and abandoning traditional, brink and mortar business model. Social media platforms such as Facebook, Twitter, Instagram, Snap chat, YouTube and LinkedIn along with other websites are incorporated into the businesses of modern-day women entrepreneurs. This research will examine, analyse and evaluate relevant theoretical framework on female entrepreneurship and social media engagement and impact on business performance. The research will develop a framework for best practice that can be used by women e-entrepreneurs across Greater London.

Keywords: women entrepreneurs, gender, social media, ICT, online and business ownership

Introduction

The journey of becoming an entrepreneur is worth reflecting and influence of social media in supporting the performance of female entrepreneurs in their journey of their business activities. The journey to a business ownership aspiration is all about determination and how to juggle responsibilities. As stated in *Determine to succeed* by Achinewhu-Nworgu (2014), there have been more opportunities available to individuals to progress in education, to make a good career for themselves and to enjoy a fulfilling family and personal life. These opportunities must be explored and utilised in one way or the other. However, in every available opportunity, there are challenges that come with it. The ambition to become a business owner can confront us with challenges and benefits. The challenges could be more pronounced as a female entrepreneur from experience of running own business with limited experience especially at a young age. The experience of being an entrepreneur has also prompted the need for this research to share the journey and

to encourage the women with similar ambitious career – which the journey is worth pursuing despite the challenges of owing and running businesses. The research will aim to progress previous work in women entrepreneurship. However, the focus for this work will be exploring the impact of social media in supporting female entrepreneurs in effectively running their own online businesses.

Literature review

There are several research studies around the influence of social media network in supporting the business activities of entrepreneurs. According to Jonsson (2015), social media helps business entrepreneurs to perform better through their network support especially in online financial support. Many previous studies, however, have investigated different support or resource types in isolation, without considering how the female entrepreneurs are responding and effectively using social media in their daily business activities. This raises a question about the extent to which social media is positively perceived and used by the female entrepreneurs to support business activities. On the other hand, diverging views have been presented about the social media and how they are used in business activities, in relation to protection of privacy and customer confidentiality.

Miller et al. (2016, p. 2) defined social media as the "colonisation of the space between traditional broadcast and private dyadic communication, providing people with a scale of group size and degrees of privacy that we have termed scalable sociality". Social media is used widely in a variety of context. Social media can open new opportunities for female entrepreneurs and encourage the creation of new businesses run by women – because of social media flexibility and attributes. Social media can support women in business to express their capabilities in networking by building virtual communities. It can also be a means to take care of personal relationships which can be relevant for women in business who, in most cases, balance private life responsibilities with work commitments (Perrons, 2003; Drew & Murtagh, 2005; Emsile & Hunt, 2009).

According to Ogunleye (2018, p. 5), entrepreneurship "in its simplest concept is the creation of business that aims to generate profit". An entrepreneur is a risk taker as there are uncertainties in making business choices; make innovations for new goods, new methods of production, new markets, and new types of industrial organization (Knight, 1921). McClelland (1961) conceptualises an entrepreneur is a business manager who has the responsibility as a decision maker and takes responsibility for the decision made in the business.

An entrepreneur has long history of being recognised as important economic sector to local, regional and national levels (Schumpeter, 1934). Studies by Edobor and Ogunleye (2015) and Ogunleye (2018) have underlined the importance of entrepreneurship, men and women entrepreneurs, to national economic development. Many women choose entrepreneurship because of a desire to own their business, or to acquire and develop business skills and competence; or a desire to become entrepreneurs because they were the main bread winners of their families – to own business for steady income, work at own time and pace, particularly in a situation of high unemployment or the fear of being unemployed or financial security (Nworgu, Achinewhu-Nworgu & Natrajan, 2019).

Theoretical framework

In examining prior work and research done in this field, it is important to examine some of the major theories that underpin entrepreneurship – especially social, network and learning theories. Social theory: is based on socio-historical process that produces psychological reasons behind the entrepreneurial disposition and gap between motivational disposition and actual behaviour. This theory will be relevant in providing an understanding of the historical process behind entrepreneurship. Network theory: explores the dynamics of firms with one another and impact on one another (Storni et al., 2015) and to understanding of the strategic entrepreneurship, collaborative innovation and creation of wealth (Storni et al., 2015). These relationships can be derived from the effective use of social media platform, which are tightly connected – and which can lead to successful innovation (Campbell et al., 2016), tight network connections help entrepreneurs to reason beyond in their business and gain access to outside world. Learning theory: focuses on ability of firms to create knowledge, base over time and use its knowledge base to achieve success and create wealth for its shareholders (Campbell et al., 2016). Other theories relevant to the proposed research include Innovation theory, Economic survival theory and Resource based theory. The research will examine these theories and the impact of social media on female entrepreneurs and business success.

Having conducted a brief review of literature around the research topic, gap remains in contemporary knowledge. First, I found no prior studies that have critically examined the impact of social media on online small businesses owned and run by women entrepreneurs with reference to London-based female e-entrepreneurs. Second, looking at many of the research studies on social media and entrepreneurship, a significant question that has not been addressed is how social media affects small female business owners in London. The mini research aimed to fill these gaps with a focus to critically examine the impact of social media on small businesses owned and run by women entrepreneurs in the UK with reference to London-based e-entrepreneurs and also to seek the perceptions of some female entrepreneurs on their businesses.

Methodology

A combination of qualitative and quantitative research paradigms were employed initially to seek the perceptions of 10 female entrepreneurs in London UK to find out how the social media has impacted on their business activities, either positive or negative and how committed they are in incorporating social media facilities in their daily business activities. Consideration was around addressing the key questions and research objectives identified. The research methodology reviewed the seven methodologies identified by Saunders, Lewis and Thornhill (2009) namely: research philosophy, research approach, research method or strategy, methodological approach, time horizon, data collection method, and data analysis method. An appropriate methodology was considered based around a combination of three methods aimed to be suitable for the data collection. Choice was made mainly from the five major research philosophies considered in research – covering

positivism, realism, interpretivism, post-modernism, and pragmatism (Saunders, Lewis & Thornhill, 2009).

In terms of sample size, the research targeted 10 female entrepreneurs as participants for this initial stage of the work and will hope to expand the target group to a large sample in the next stage. The research has used mixed methods for the data collection and analysis. In some cases, the integration of different methods within a single design framework will help to capture rich data which is my primary motive for use of mixed methodology. The value of combining methods is that it allows for the triangulation of data (Punch, 2005), recognises the similarities between qualitative and quantitative approaches (Blaxter, Hughes & Tight, 2001), less constraining than relying upon a single method (Morse, 2003) and, crucially, strengthens the findings that are produced. The three concepts provided me with decision to go for a mixed method and choice of data presentation.

Ethical considerations

The researcher observed all the ethical protocols, although, this was a preliminary investigation, the consent of participants was very important. I understand that, as Miller and Brewer (2003) rightly noted, ethical responsibility start when the researcher develops his/her research plan and continues to develop an ethical approach to dealing with the research participants, to create a mutual respect, in which participants are pleased. To this end, ethical considerations for the mini study was relevant including: providing a detailed explanation to the participants about the research aim and objectives; obtaining the consent of the participants; keeping participants identities confidential; making participation voluntary; giving an assurance that data collected will be kept securely; providing an assurance that participation in the research can be terminated at any time if a participant so wishes; providing an assurance that no participants will be harmed in any way as a result of their participation in the study.

Analysis of findings

Work is on its initial stage and therefore interviews with 10 female entrepreneurs was sufficient to reach a conclusion based on comments below.
Comments:

I have been in the clothes business for over 10 years. Since then, I have seen the increase in online demands. Online in clothing industry has become important to my business in getting access to my clients and the customers also buy mainly online from us. It is easy and very convenient as most customers prefer online shopping. For me, it has grown my business compared to when people came in to buy. (FE3)

The demand for an on line shopping has slightly the direct face to face shopping contacts that I have with most of my customers. However, it has enabled those busy customers who could not come into the shop to still shop for same products. The main problem is also that most of the goods are sent back because of wrong sizes and clothes not looking good as they appear online. In this case, you could end up with unnecessary costs of postage. (FE4)

I have a customer who came regularly to the shop to buy things. Two years ago, they moved house to Portsmouth. She now shops online and very satisfied with the goods, saves costs of travelling from Portsmouth to buy our hair products. She orders, it is

delivered within 24 hours. To her, she has not missed out on anything that directs shopping did not provide in the past nor did I lose out such important customer. (FE6)

I am very positive about on-line shopping and believe that people should have a choice of how they want to shop for the goods. For my business, it can consume time putting things on-line, need good adverts on-line, packing and assurance of delivery, failure to satisfy the customers on delivery can make you unreliable hence may lose them? Unlike shops where people come in and see what they need to buy, they can fit them here and then and can decide to either buy or not based on how it fits. (FE 8)

People's ways of shopping is individual's choice. One thing good about on-line sales is that you can save money selling on-line as you have no rent to pay, but storage can cost you money. As a female entrepreneur, I do not feel different from anyone, I am in control of my business and deliver on-line when customer orders. The nature of my business is online as we order and sell online. It has done well and I have nothing to worry abbot selling on-line. It is more convenient for me and my customers. The current trend in business is about social media to succeed, networking through social media is a key to marketing your business. (FE9)

Although, part of this work finding was reported, the bulk of the work could not be presented in this paper due to work count and also, work being on its exploratory stage for a Doctorate degree research. The findings of the mini interviews are very interesting. One would assume from the literature and theories presented that social media on-line may have negative impact on small business owners, In this case the findings point to more positive impact and increased sales to most of the participants. However, the work is on its initial stage, the future research will target large population.

Conclusion

The work explored the impact of social media online shopping, relevant literature explored that guided the focus of the study. The fact still remains that the female entrepreneur has good and bad experiences in their business since the increase in online shopping. As shared above by the participants, some have experienced increase in sales online while some have missed their customers that resulting from online shopping. The findings of this mini research is important to inform a wider scope for the future research in the field and will contribute to the body of knowledge as well as provide awareness of the challenges faced by entrepreneurs. The next stage of the work is to develop a framework for best practice that can be used by small businesses, especially entrepreneurs in the Greater London region in the United Kingdom. The most interesting aspect of the mini research is that most of the participants were very positive about the benefits of online shopping positive impact on volume of sales.

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